The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

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SAVE FOOD–
Help Relieve
Famine Abroad

WHOLE NO. 1840 · WILLIAM GREEN, President · WASHINGTON, D. C., TUESDAY, JULY 16, 1946 · GEORGE MEANY, Secretary-Treasurer · VOL. 36, NO. 29

LABOR, USA

Washington, D. C.—The second edition of the American Federationist of the Air, broadcast on the "Labor, USA" program over the American Broadcasting Company network, included the following outstanding feature articles to supplement the news:

The Senate Surrenders

By WILLIAM GREEN

President of the American Federation of Labor

The United States Senate has surrendered to the demands of special interests.

By removing price controls on meat, poultry, milk, eggs and many other vital vital commodities at a time when they are still scarce, the Senate virtually ended all price control so far as the vast majority of the Nation's consumers are concerned.

If the Senate's action becomes law, the cost of living of every American family will mount sky-high.

This is no wild and unfounded prediction. It has been proved in the Nation's market places during the past two weeks. Since Congress allowed the legal life of OPA to lapse on June 30, wholesale and retail prices have jumped to record heights. Milk went up three cents a quart, plain, ordinary hamburger sold for as much as a dollar a pound and rents in some cities increased from 25 to 200 per cent.

In the fact of this cruel demonstration of profiteering raids on the helpless people of our country, the Senate went right ahead and voted to let such wholesale exploitation continue. No consideration was given to the public welfare.

In the present temper of Congress, it is almost too much to expect the House of Representatives to reject the Senate amendments.

If the OPA bill is adopted by Congress in its present form, the responsibility for letting it become law will then rest squarely on President Truman again. He vetoed the original OPA extension bill because it was woefully inadequate. This new measure is just as bad and perhaps even worse.

The American Federation of Labor does not believe in permanent price controls. We are just as anxious as anyone else to see them eliminated as soon as emergency shortages are wiped out. This can be done in a matter of months, because production is now in full swing.

It is tragic that Congress lacks the fortitude to continue effective price control temporarily until production catches up with demand. Then there will no longer be any need or justification for the OPA. But premature removal of price control can only result in a tidal wave of inflation and lead to a disastrous postwar depression.

The failure of Congress to hold the line on prices is especially alarming to the wage-earners of the Nation with fixed incomes. I know there is a widespread feeling among them to strike in protest against the disregard of consumer interests. If uncontrolled inflation comes, there will be no way of holding back strikes for higher wages. But this is no time for hasty action. In the present crisis labor must exercise sound judgment and strong self-discipline. Inflation thrives on shortages, but it collapses with full production.

I will call all American workers, therefore, to safeguard their own interests and the public welfare by increasing production now. That is the only way to end scarcities and prevent inflation, regardless of the mistakes of Congress. I am confident that the workers of our country will respond wholeheartedly to this appeal and carry out their responsibilities.

A Good Business Loan

By ROBERT J. WATT

International Representative of the AFL

In sharp contrast to its failures in demestic policy, Congress has measured up to its responsibilities on international issues in an encouraging way.

Approval of the British loan by the House of Representatives is a case in point.

It would have been tragic if Congress had permitted its justifiable opposition to British colonial policies to stand in the way of this loan.

The British Empire has made many mistakes. Its mishandling of the Palestine situation deserves our severest condemnation. But if the United States were to withhold urgent financial assistance to Britain for such reasons, it would probably only make matters worse.

The big factor—the controlling factor—is that Great Britain, despite her mistakes, stands as our staunchest friend in the cause of world peace and security.

Brought to the brink of financial ruin by war, Britain could be of little help in preserving the peace unless her postwar economy and trade are revived. Our loan will serve as a powerful stimulant for that revival.

From another and perhaps more selfish point of view, the British loan is bound to prove an economic stimulus for more prosperous times right here in America. Before the war, the United Kingdom was our best customer. It is only good business for us to extend her a fresh line of credit now so that we can keep our best customer.

America needs foreign trade almost as much as Britain does. It will help keep our factories running on all cylinders and provide millions of new jobs.

Perhaps I may be influenced by my personal admiration for Ernest Bevin, Britain's foreign secretary, when I say that America has never offered a loan to a borrower with a better character.

But aside from such personal considerations, every fact points to the conclusion that this loan will prove a sound investment for the American people.

Accent on Speed

By BORIS SHISHKIN

Secretary of the AFL Housing Committee

In the trying years of the war, American labor unions did an outstanding job of speeding war production, war construction and transportation of war goods by rail, by sea and by air. They worked day and night to help break production records, to get ships, shoes and shells when and where they were needed in the war.

Today, too, the unions are doing their part to speed peacetime construction, transportation and the flow of needed goods. Without fanfare, they are helping to break the worst bottlenecks of reconversion. Their biggest task right now is to get more new homes built faster.

National Housing Expediter Wilson Wyatt signed a formal understanding with the officials of the Building and Construction Trades Department of the AFL. This agreement includes the building unions' pledge "to provide the maximum degree of cooperation in furthering the progress of the veterans' emergency housing program—nationally, regionally and locally." They make it their responsibility, the unions said, to get the job of building homes done well and done with speed.

To translate this pledge into brick and mortar terms, Mr. Wyatt appointed a Construction Labor Advisory Committee headed by Richard Gray, top executive of the Building and Construction Trades. As a part of this understanding the building unions said they will use every means within their power to bring about a settlement of any industrial conflict that may arise and to prevent all stoppages of work on the emergency housing construction.

This is not the first step in the building trades reconversion program. For many months building unions have kept busy to make sure that there is a steady supply of building labor when the flow of bricks and lumber, bathtubs and roofing is big enough to turn these materials into houses. Apprentice training is being streamlined all over the country. Provision is being made to give the GI veterans foremost opportunity for steady employment and stable incomes on construction. Three out of every four apprentices in training now are veterans; half of them are getting credit for building experience in war service.

The building trades workers are on the job. They want to build homes within the reach of your pocketbook. It is up to you to make sure that the homes they are building are at a price you can afford. This is why they ask you to get busy and do your part by calling on the House of Representatives to pass the Wagner-Ellender-Taft Bill, S. 1592. Unless S. 1592 becomes law, inexpensive homes—the kind you need and want—cannot and will not be built.

MOST GRAIN UNIONS RISE ABOVE 65-CENT FLOOR

Minneapolis, Minn.—Local unions and area subdivisions have reported to the American Federation of Grain Processors National Council (AFL) that a 65-cent minimum wage in the union portion of the grain processing industry is in effect without waiting for the passing of a Federal law.

Approximately three dozen reports from 30 cities with at least 51 plants involved—corn starch factories, feed mills and soybean plants for the most part—show only one minimum wage as low as 65 cents—Johnson City, Tenn.—where janitors and watchmen receive that basic pay. The minimum of plant labor is 70 cents in that city.

UNIONS ASK GOVERNOR FOR ACTION IN OPA CRISIS

Seattle, Wash.—Consumer groups and organized labor here are marshalling their forces to fight inflation. Congress is being deluged with wires from this group, backed by pledges, for the enaction of legislation of an OPA law to cope with the situation.

The powerful Metal Trades Council (AFL) voted to send delegations to Gov. Wallgren and the Seattle City Council to obtain emergency price and rent controls. The metal workers have added their strength to the drive and have taken action to formulate demands for immediate wage increases if living costs continue to soar.

Army Drops Union Curbs At Atomic Bomb Plants

Oak Ridge, Tenn.—Conceding the validity of AFL protests, the War Department abolished regulations which interfered with the civil rights of atomic bomb workers here and curbed organizational activities of the AFL Atomic Trades Council.

The change in the Army's policy came after conferences in Washington between War Department higher-ups and AFL President William Green and George Googe, AFL Southern Organization Director.

Secretary of War Patterson agreed that Army censorship of union literature and interference with distribution of organizing material could not be justified on security grounds. He called in General Leslie Groves, in charge of atomic energy development, who also agreed. Modifications of the regulations then was worked out with Col. E. E. Kirkpatrick, who handles labor relations at the three huge plants here which employ 20,000 workers.

Under terms of the new understanding, the Army agreed to drop any further censorship of AFL literature to be distributed by organizers at the plant gates. The major purpose of this regulation—one against which the AFL registered a primary objection—was to "prevent references to the plants which might disclose classified information," an Army official said.

"With the modification of this regulation," the Army statement added, "the responsibility for maintenance of security in this field thus falls directly upon the unions and the unions' representatives."

The Army also agreed to permit union representatives, furnished with special passes, to aid in the distribution of union literature at points near but outside the gates.

"For security reasons," the statement said, "there has been prior objection on the Army's part to allowing visitors free access to plant areas and gates."

In their protestations to Secretary Patterson, both Mr. Green and Mr. Googe cited earlier assurances by the Army that military security was no longer a factor and the Army's earlier pledge that the AFL would be permitted to inaugurate an organizing drive when the war ended.

Supplementing these protests, James F. Barrett, coordinator of AFL activities at Oak Ridge, charged that the measures instituted by the Army were making it impossible to carry on organizational activities at the atomic plants and constituted a breach of faith in the light of the earlier assurances.

President Signs British Loan Bill Promoting Postwar Flow of Trade

Washington, D. C.—Marking a long step toward restoration of a stable economy in the British Empire and the United States, President Truman signed the $3,750,000,000 British loan bill. His action brought to fruition a program long urged by the AFL, whose economists contended both Nations would benefit mutually by the arrangement in the free flow of trade.

The bulk of the immediate British spending will be applied for the purchase of machinery and raw materials, officials indicated. A minor part of the credit—$100,000,000 to $200,000,000—will be used to buy foodstuffs and luxuries needed by the British to offer temporary surcease from strict food and clothing restrictions.

Presidential approval of the measure means that, for the first time in years, American business firms will be able to sell the products of American labor to Britain on a cash-dollar basis, instead of pound sterling credit.

According to reports here, Britain will use part of the credits from the loan immediately to place orders for sorely needed productive machinery for the textile, coal-mining, steel and machine-manufacturing industries. Producers of textiles in Manchester, where rayon and cotton output is centered, have already provided an order list to the Government of the new machinery they will require. In Bradford, center of the wool cloth industry, a similar list has been drawn up.

The coal-mining industry in Wales and in Britain has been nationalized under the Labor Government. A committee from that segment of the British economy has been busy for months on capital investments it believes the coal mines should make in American machinery to ease manpower demands of the pits and reduce production costs.

In one sense, British authorities are relieved at what are likely to be delayed delivery dates. Financial authorities there have become alarmed at the trend of prices here since the end of controls on July 1, and are not keen upon spending dollar credits at current prices. They fear they may be compelled to purchase on a rising market and make payment on a falling one.

According to Government officials here, purchases made by Britain will be paid for from a balance set up for London at the New York Federal Reserve Bank.

Orders for American goods will be "screened" by the British Board of Trade. If the expenditure is approved, an import license will be issued. The British purchaser will pay in sterling to the Bank of England, which, in turn, will authorize an equivalent withdrawal in dollars from the Federal Reserve Bank to the American supplier.

At the ceremony when President Truman affixes his signature to the loan agreement will be Secretary of State Byrnes, Secretary of the Treasury Snyder, and officials from the British embassy.

With the controversial British loan out of the way speculation turned to the prospects that the Administration will ask Congressional approval for the extension of a credit of $1,000,000,000 to Russia. There was ample evidence during the Congressional debate on the British loan that there would be strong opposition to granting a substantial credit to the Soviet Union.

As Congress is expected to recess within a few weeks, and the Export-Import Bank is running low on funds, many members of Congress say it is highly improbable that any cash for big new foreign loans will be available this year.

AFL Assails Pulpwood Industry's Drive to Weaken Wage-Hour Act

Even in the high-wage, labor-shortage, wartime year of 1943, wages of pulpwood cutters and loggers in the South ranged as low as five cents an hour, according to evidence placed before Wage-Hour Administrator L. M. Walling by Boris Shishkin on behalf of the American Federation of Labor and the United Brotherhood of Carpenters and Joiners of America at a hearing held in New York.

The AFL appeared in vigorous opposition to the proposed amendment of the wage and hour regulations, sought by employers in the pulpwood industry, which would shift responsibility for record-keeping from employers to the employees. Mr. Shishkin warned that "the proposed amendment would not only nullify the minimum wage provisions of the Fair Labor Standards Act, but in the end, would destroy effective enforcement of all labor standards required by Federal as well as State legislation enacted over a period of more than 50 years."

"It was the purpose of the Fair Labor Standards Act to eliminate substandard wages in low-paid industries of which the pulpwood industry in the South is one of the lowest," Mr. Shishkin said.

"Adoption of the proposed amendment to regulations would mean a complete abandonment of the minimum wage where it is most needed. It would mean that the pulp produced for the manufacture of paper would be deliberately left to the very substandard conditions which the Wage and Hour Law was enacted by Congress to correct. If the amendment were adopted, the Fair Labor Standards Act itself would no longer be worth the paper it is printed on."

Pointing out that the employers who testified as proponents of the amendment to regulations came to make their plea "with unclean hands," Mr. Shishkin presented a long and detailed factual record of widespread wholesale violations of the Wage and Hour Law which led not only to criminal convictions but also to large restitutions to pulpwood workers in the course of the Wage and Hour Law enforcement.

"In February 1943, a high-wage, labor-shortage wartime year, over 80,000 workers in pulpwood logging, lumber and related work were paid less than the legal minimum of 40 cents an hour," he said.

"Officially secured evidence shows that, even during the war, wages for the more skilled workers fluctuated between 20 cents and 30 cents per hour, but in a number of instances ranged as low as 5 cents per hour with the weekly earnings, even in summer months, often below $10 per week."

Pleas also were entered in support of the AFL position against the amendment by the International Brotherhood of Pulp, Sulphite and Paper Mill workers of the United States and Canada and the International Ladies Garment Workers Union of America, both AFL affiliates. The Children's Bureau, the Women's Bureau and the Division of Labor Standards of the U. S. Department of Labor and the Department of Labor of Rhode Island likewise testified against the amendment.

Veto of Battered OPA Bill Hinted If Exemptions Stand

'Couldn't Be Worse' Is Truman Description of Senate's Measure

Washington, D. C.—Administration forces opened a last-ditch battle to force restoration of OPA controls on vital foods and commodities, through the medium of a Senate-House conference, under shadow of a Presidential veto if they fail.

The House of Representatives was preparing to send the mutilated OPA extension bill to conference as this edition went to press.

In the form in which it was stripped by the Senate the bill removes all controls on prices of meats, poultry, eggs, milk, butter, cheese, cottonseed, soybeans and their plastic products, gasoline, motor oils and petroleum products, grains and tobacco. Practically all foods, except vegetables, are exempt.

Strong intimation that the measure would be vetoed unless many of the exemptions are restored was seen in the comment of President Truman as prices throughout the Nation climbed to new records.

Visiting the National Airport here to welcome Secretary of State Byrnes, Senator Connally and Senator Vandenburg as they returned from the "Big Four" conference in Paris, the President was asked by Vandenburg what the Senate had done about the OPA.

The President replied that the bill the Senate had approved "couldn't be any worse," and added that "it is in terrible shape."

These words were interpreted as clear notice to Congress that the new measure will meet the same fate of the earlier vetoed bill unless it is revised drastically before it reaches the White House.

House Republicans were widely split on the entire issue. The division became quite evident when the group considered a proposal to vote down a rule for an immediate conference and hand Mr. Truman the bill as stripped by the Senate.

Members of the House Steering Committee, after lively debate, adjourned without reaching any agreement. One member of the group told newsmen there would be no consolidated move by the Republican branch to by-pass a conference.

The Administration's fight, if the House speeds the bill to conference, will be to delete as a minimum Senate-approved decontrol of meat, poultry, dairy products, grain, cottonseed and soybeans. Less opposition was reported to petroleum and tobacco exemptions. The latter items are scheduled for decontrol by executive action whether or not they remain in the bill.

Other developments included:

A drive for adjournment of Congress by July 27 or August 3 at the latest. Democratic and Republican leaders were privately agreed that if Congress fails to write a bill the President will accept, there will be no third try, beyond possible rent control extension;

Prospective conferees informally discussing a possible "recontrol" compromise. The germ of the idea is latent in Senate provisions giving a proposed decontrol board power to recontrol items in short supply. One prospective conferee suggested the President himself be given discretion to recontrol any commodity when prices skyrocket.

Green Condemns Record of Congress As 'Utter Failure' to People of U. S.

Detroit.—Warning that an apathetic Congress has brought the Nation face-to-face with unbridled inflation by yielding to special interests who demand removal of price controls on vital items, AFL President William Green, nevertheless, cautioned workers throughout the country against retaliation through strikes.

Keynoting the annual convention of the Railroad Brotherhood of Maintenance of Way Employes here, Mr. Green pulled no punches in charging Congress has betrayed the American people and expressed deep disappointment that "the victory we won at such heavy cost has not yet brought us the security in world or domestic affairs which we were assured would follow."

"All of us are deeply disappointed," he said, "that the nations of the world have thus far been unable to conclude a just and lasting peace. The constant quarrels at international conferences, the selfish pressure for territorial aggrandizement and the virtual abandonment of the principles embodied in the Atlantic Charter and the Four Freedoms, can only confirm our fears that the seeds of another war are even now being sown.

"On the home front, the picture is scarcely more encouraging. Inflation threatens. Full production and full employment are still distant objectives. No progress has been made toward giving the American people firmer protection against the hazards of poverty, illness and economic depression. Furious assaults have been made by reactionary forces in Congress and in the State Legislatures against the basic freedoms of American workers and their trade unions.

"Congress failed utterly to provide for human needs during reconversion.

"The action of the Senate in voting to end price controls on many articles of food which are essential to the national diet came as a startling shock to the American people. It constituted a complete surrender to the demands of special interests and a dangerous repudiation of the public welfare.

"It seems incredible that the Congress should deliberately expose our national economy to disastrous inflation. After so many years of holding the line, at great sacrifice it is tragic indeed that Congress should abandon that line only a few short months before further controls would no longer be necessary.

"Existing shortages were created by the war and the aftermath of war. They are rapidly being met as our industrial machine swings into high gear. Inflation thrives on shortages, but collapses with full production. If Congress persists in refusing to adopt an effective OPA law even for only a few more months, the only way we can head off disastrous inflation is to expand production in every possible way until it meets demand. Then prices are bound to level off.

"I know there is a strong feeling among many American workers to retaliate against profiteering and Congressional blunders by striking. That is not the wise course. In this crisis, labor must exercise iron self-discipline and restraint. We must refrain from causing any interruption of production, because production alone can save us.

"By using sound judgment and avoiding ill-considered action now, American workers will be protecting their own economic safety and helping the Nation pass safely through an economic upheaval. We will be in a far better position then to demand safeguards against future economic crises as a reward for our contribution to the public welfare."

Regarding failure of Congress to enact legislation of great benefit to the Nation in general, Mr. Green said:

"The President asked amendments to the Social Security Act to broaden the coverage and increase the benefits. This was not done. The President called for the retention of the U. S. Employment Service in the federal government, at least, during the transition. This was refused. The President urged the adoption of a comprehensive health and medical care program. Congress failed to enact such a program. The President requested amendments to the Fair Labor Standards Act to increase substantially the level of minimum wages. This proposal has been laid aside.

"The President urged the adoption of a permanent long-range housing program to bring decent housing within the reach of families of all incomes. At the eleventh hour before the recess the House of Representatives has not yet voted on this vital legislation. The President requested the establishment of a Permanent Fair Employment Practice Commission. That request went unheeded. The President recommended the enactment of an effective Full Employment bill. Instead, Congress approved a bill which falls dismally short of its purpose.

"Each and every one of these failures of this Congress to discharge its public responsibility has directly contributed to the tension and industrial unrest in mines, factories, and shops throughout the Nation."

House Ways-Means Group Rejects Plea to Raise Social Security Tax

Washington, D. C.—Rejecting strong pleas by the AFL for a greatly expanded social security program, the House Ways and Means Committee, in a sharp about-face from its earlier stand, voted to freeze the social security tax on payrolls and wages at one per cent for another year. Sponsors of the enlarged program sought a 50% increase in the tax, as provided automatically under present law.

At the same time the committee brushed from the Social Security revision bill a provision for larger grants to low-income States for payment of benefits to the needy aged, blind and dependent children.

The reversal of the committee's previous position came when it was confronted with a deadlock in the House Rules Committee. Only by such a compromise, said Rep. Knutson of Minnesota, could action be obtained on the issue before Congress, racing toward a pre-election adjournment, would end the current session.

Under present plans, the House leadership expects to present the bill for a vote with a rule barring amendments.

As newly drawn the security revision measure provides:

1. A freeze of one per cent tax for old-age and survivors' insurance. The committee previously had voted to put this tax at 1.5 per cent against employers and employes for a five-year period beginning January 1. Without Congressional action, this tax, by provision on the original security statute, would increase automatically next January to 2.5, per cent on employers and employes.

2. Special survivors' insurance coverage for the families of veterans of World War II. This stipulation would give insurance protection, without cost, to the families of any veteran who dies within the next three years.

3. Blanketing 200,000 maritime workers under the unemployment compensation features of the Social Security Act. These workers have not in the past been considered.

4. An increase from $20 a month to $25 in the amount the Federal Government will put up for matching State funds paid to needy aged, blind and dependent children. This makes it possible, under the 50-50 Federal-State matching arrangement, for a needy person to receive $50 a month instead of the present $40 top.

The committee previously had voted to raise the Federal top for needy persons from $20 to $30, and to put up two Federal dollars for each State dollar in those States where individual incomes are 66 per cent or less of the national average. This earlier provision, by a special formula, also would have given more Federal dollars in those States where the income is 66 to 99 per cent of the national average.

This provision encountered formidable opposition from House members representing States with high individual incomes.

Meanwhile, Chairman George of Georgia, of the Senate Finance Committee, said the Social Security Tax must be increased. And he added that in his opinion Congress will extend old-age insurance benefits to many of the 20,000,000 employed persons not now covered.

However, George said a general revision of the Social Security program probably will not take place until next year, when Congress is relieved of the pressures of reconversion legislation.

WAGNER HOUSING BILL ESSENTIAL, WYATT SAYS

Washington, D. C.—Passage of the Wagner-Ellender-Taft Housing Bill, approved by the Senate in May, is absolutely essential to attainment of the goals set for the Veterans' Emergency Housing Program, Housing Expediter Wilson W. Wyatt told the House Banking and Currency Committee.

RECONVERSIONS TOP SCHEDULE

Washington, D. C.—Housing Expediter Wilson W. Wyatt announced that new dwelling units produced through conversion of existing structures are running well over 100 per cent in advance of schedule and provide one of the most encouraging aspects of the Veterans Emergency Housing Program.

Congress Is Deaf To Labor's Pleas On Reorganization

Washington, D. C.—Congress administered a drubbing to organized labor on three Government reorganization plans submitted by President Truman.

The AFL favored Plan No. 1, the chief purpose of which was to consolidate the many Federal housing bureaus into a single National Housing Agency. This was defeated.

The other two plans, both opposed by the AFL, squeezed through Congress by narrow margins.

Plan No. 2 abolished the United States Compensation Commission and transferred its functions to a single administrator in the Federal Security Agency. It also transfers the Children's Bureau and other welfare agencies from the Labor Department to the Federal Security Agency. The AFL has consistently opposed such dismemberment of the Labor Department.

Plan No. 3 included transfer of the Bureau of Marine Inspection and Navigation from the Department of Commerce to the Coast Guard under the Treasury Department. This was opposed by the maritime unions of the AFL.

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AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE
SUPPLEMENT

SAVE FOOD—
Help Relieve
Famine Abroad

WILLIAM GREEN, President
WASHINGTON, D. C., FRIDAY, JULY 19, 1946
GEORGE MEANY, Secretary-Treasurer

Mine Workers Score Major Victory As Foremen Come Under Contract

Washington, D. C.—Scoring a major victory in a long-drawn-out battle, the United Mine Workers (AFL) signed a contract with Admiral Ben Moreell, Federal Coal Mines Administrator, covering mine foremen and supervisors at four mines of the Jones and Laughlin Steel Co.

The action came after a sharp attack upon the mine operators in the UMW's Journal, which, in blunt terms, charged them with "stalling tactics" to avert a showdown.

Admiral Moreell also signed two agreements covering electrical and technical workers. These applied to Jones & Laughlin and the general office of the Industrial Collieries Corporation, Johnstown, Pa., a subsidiary of the Bethlehem Steel Corp.

The agreements were made with the United Clerical, Technical and Supervisory Workers, District 50, UMW.

Signing of the agreement covering supervisory employes of Jones & Laughlin came several hours after the company had filed a petition in the U. S. Court of Appeals to restrain the action.

The contracts bore most of the terms provided in the contract for production workers signed by Secretary of the Interior Krug and John L. Lewis, president of the UMW, May 22. Several provisions differed, however.

A new section in the contract covering Jones & Laughlin foremen binds the union to initiate court action if the company refuses to recognize the contract. The section was inserted to open the way for test in the higher courts of the ruling by the National Labor Relations Board that supervisory employes may organize into an appropriate unit for collective bargaining.

According to the National Labor Relations Act, NLRB may be tested in court only if a union files a complaint. If a union (as in this case the supervisors) refuses to file such a complaint, perhaps preferring other action, the case could not go to the courts, since employers may not initiate tests.

The contract specifically safeguards rights of the companies in case the NLRB should reverse the decision which held that units of foremen are legally covered by the National Labor Relations Act, or Wagner Act.

The board began to rule in favor of the foremen in the Union Collieries case in 1940, but subsequently reversed its stand. In the last two years, however, it has gradually returned to its position of six years ago.

The Case bill passed by Congress this year exempted foremen from protection under the Wagner Act, but it was vetoed by President Truman.

Employers have insisted that foremen represent management and cannot "act on both sides of the bargaining table." In some industries, however (printing and railroads), foremen are covered in written agreements.

There are 18 clauses in the Jones & Laughlin agreement, which covers about 150 employes. The wage section provides for an increase of $1.85 a day, similar to that provided in the Krug-Lewis contract. The contracts covering the clerical and technical workers provide for a wage rise of 18½ cents an hour.

The agreements provide retroactive pay to May 22, 1946, when the contract with the production workers was completed.

Petrillo Charges Lea Act Violates Four Amendments to Constitution

Chicago.—Charges that the Lea Act is a clear violation of four amendments to the Constitution were contained in a motion filed with the Federal Court here by James C. Petrillo, president of the American Federation of Musicians (AFL), calling for dismissal of a criminal information accusing him of attempting to force a radio station to employ "unnecessary persons."

Mr. Petrillo made these specific charges regarding the act, sometimes called the "anti-Petrillo law."

It contravenes the First Amendment to the Constitution in that it abridges freedom of speech.

It is repugnant to the Fifth Amendment and particularly the "due process" clause thereof, in that it defines a crime in terms that are excessively vague, in that it denies protection of the law and in that it denies liberty of contract.

It violates the Thirteenth Amendment, in that it imposes involuntary servitude.

It is contrary to the Tenth Amendment, in that it is a Congressional exercise of power not delegated to the United States by the Constitution.

Mr. Petrillo and his lawyers have until August 5 to file briefs in support of their motion and the Government's reply briefs must be filed by September 9. On that date Federal Judge Walter J. LaBuy is expected to set a date for oral arguments.

The information, which was filed June 18, charges Mr. Petrillo with violating the act by attempting to force radio station WAAF to employ three additional musicians. If he is found guilty, Mr. Petrillo faces a maximum penalty of a year in prison and a $1,000 fine.

Warning!
HOUSE THIEVES AT WORK

Right This Minute

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WAGNER-ELLENDER-TAFT GENERAL HOUSING BILL, S. 1592

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Hon. Paul Brown
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Hon. Clarence E. Kilburn
Hon. Howard H. Buffett
Hon. D. Emmert Brumbaugh

House Banking and Currency Committee
House of Representatives
Washington, D. C.

Urge them to act at once to secure prompt approval of S. 1592 by the House of Representatives in the form approved by the Senate

DO IT TODAY

Housing Committee, American Federation of Labor
Washington 1, D. C.

"Bogey-Man" of Labor Hit In Metal Trades Bulletin

Washington, D. C.—Emphatic protest against efforts of anti-labor legislators, in both national and state groups, to crucify American organized labor on the altar of "Big Business" by raising a "Bogey-Man" as expressed in the latest issue of the Bulletin published by the Metal Trades Department of the AFL.

In a bristling reply to the so-called "Big Business" spokesmen who have been screaming about "Big Labor's" strikes and requests for wage increases to meet skyrocketing living costs, the Bulletin assailed members of Congress and state legislatures who have brushed aside labor's pleas to concentrate on greater wealth for giant corporations.

In blunt language it declared:

"The anti-labor spokesmen have their axes sharpened, and are ready to chop down any and every gain made by labor. Let there be no mistake about it, these anti-labor forces will try to destroy or make ineffective every gain made by labor. To them, the time is now here. This is the time for attacks on labor. They may use all sorts of honeyed words about their undying belief in collective bargaining and trade unionism, but they are anti-labor in their heart, let's make no mistake about it. It is their deeds, not their hypocritical words, which count. And their deeds are clearly and unmistakably anti-labor.

"Never do these anti-labor propagandists, however, refer to the well-known machinations of Big Business, which have been responsible for the shortages of those things which have become essential to the American standard of living. Never do they refer to the sabotage of production, the withholding of goods which are kept in warehouses, the holding back of goods, to compel price increases, at the expense of labor and the consumer. They go out of their way to make it appear that it is solely labor's fault that there are shortages.

"If the truth were told, the responsibility of labor for holding up production reconverted to peace-time needs, is absolutely insignificant, compared with the deliberate, planned and determined efforts of Big Business in refusing to produce, until they got the laws, written as they wished, before the war, and the cash terms they demand now, during post-war reconversion. The lockouts of labor and the consumer by Big Business put any strikes by labor far into the shade, in causing actual shortages of goods at the present time.

"There can be no doubt that the anti-labor bloc in Congress consists first and foremost of a very large hard core, at its center, those who never wanted and do not want today that labor should ever grow, however little or big it was or is. To this hard core of anti-laborites labor is always too big. In truth, their protestations notwithstanding, labor's proper role is that essentially of an 'Uncle Tom,' humble and thankful for whatever is bestowed upon it. Their idea is that labor should know its place, accept what is handed to it, and above all else, make no protest. They want peace in industry, the peace written and ordered by business.

Government Payrolls Fall 13 Billions Since War's End, Wallace Reports

Washington, D. C.—Federal Government payrolls, both military and civilian, have fallen off by 13 billion dollars a year since V-J Day, Secretary of Commerce Wallace revealed in a formal report.

The individual jobholder earned just about the same average weekly wage during the second quarter of 1946 as he did during the same period a year ago, he added, since the reduction in hours and in overtime premium pay and shifts to lower-paying jobs have been almost offset by increased wage rates.

There were 5,000,000 fewer people with jobs in the second quarter of 1946 than in the same period last year, Mr. Wallace said. This does not mean, however, that there are 5,000,000 unemployed since many former war workers as well as veterans have withdrawn from the labor force and are not seeking jobs.

During the second quarter of 1946 wages and salaries were at an annual rate of $102,000,000,000 compared with $115,000,000,000 for the second quarter of 1945. Since V-J Day 9,000,000 members of the armed forces have been demobilized, reducing military pay rolls $11,000,000,000. Federal civilian employment has been cut by more than 500,000, reducing the pay roll $2,000,000,000.

From August to October, 1945, wages and salaries paid by manufacturing industries declined more than 25 percent. Since October these payrolls have risen slowly, but during the second quarter of 1946 they were still one-fifth lower than they were during the same period a year ago.

All of the reduction in manufacturing employment and payrolls was in the durable goods industries, Mr. Wallace said. During the second quarter of 1946 wages and salaries in these industries were one-third lower than during the second quarter of 1945.

On the other hand, employment in the nondurable goods manufacturing industries, which declined for three months following V-J Day, again turned upward and is now above the V-J Day level. In the second quarter of 1946 payrolls of nondurable goods manufacturing industries were at an annual rate $2,000,000,000 higher than they were during the same period a year ago.

In nonmanufacturing industries employment increased 2,000,000 from the second quarter of 1945 to the second quarter of this year, and wages and salaries increased by 15 percent, from $44,000,000,000 to $51,000,000,000.

Gross average hourly wages in private industry increased 7 percent from April, 1945, to April 1946, Mr. Wallace said. The sharpest increases came in nonmanufacturing industries as a whole, amounting to about 13 percent.

Many War Widows Must Continue In Jobs For Living

Washington, D. C.—Two-fifths of the wives of ex-servicemen will continue in the labor market, most of them through necessity, the Women's Bureau of the Labor Department reports after a survey. Women who must continue to work are widows and wives of disabled veterans, who must assume partial support of themselves, and frequently dependents, the study revealed.

More than 50,000 widows of World War II veterans were receiving death pensions by June, 1945, the bureau found, and it saw indications of a greatly increased number. The monthly pension rate is $50 for a widow, $65 for a widow with one child, and $13 for each additional child up to a maximum of $100.

The announcement of the bureau added:

"In addition to the numbers of marriageable men who have died or been seriously disabled, some 100,000 servicemen married foreign wives, increasing the number of American women who will never marry and must support themselves. Another group which must assume most of the support of themselves and their families are those who were divorced during the war. In 1944 over 33 percent of all widowed and divorced women worked."

OPA's Fate Hangs in Balance As Deadlock Grips Congress

Conferees Are Seeking Compromise Measure Acceptable to Truman

Washington, D. C.—Life or death issues regarding ceilings on vital foods and other commodities, and flexible price regulation of manufactured products, hung in the balance as House and Senate conferees entered a deadlock in their first vote on legislation to extend, in sharply modified form, the bill to extend OPA for another year.

Members of the Senate group named a three-man subcommittee to draw up a compromise proposal for consideration of the full committee. Some optimism was expressed that agreement could be reached on a plan acceptable to President Truman restoring controls on prices of some major items exempted by the Senate bill.

The first showdown saw a majority of the House conference group standing firmly for restoration of price controls on meat, milk, butter and other important items struck out by the Senate. This plan also would give the OPA discretion in applying a formula for setting producers' price ceilings.

A majority of the Senate conferees refused to yield on either issue, thus precipitating what one of them called "a complete stalemate."

A subcommittee composed of Senators Taft of Ohio, Tobey of New Hampshire, and Radcliffe of Maryland, was then appointed to draft a counter-proposal to the House conferees' position.

The subcommittee's assignment, it was understood, was to modify both the exemption provisions and the discretionary clause so that they would meet the approval of both sets of conferees with the hope that they would also be acceptable to the Senate, House and President Truman, whose veto June 29 of an earlier price control bill resulted in the OPA's expiration the following day.

Senator Radcliffe, whose insistence on "decontrol" of meat deadlocked the conferees temporarily when they were considering the original measure, now has suggested a compromise on that issue and is expected to seek the subcommittee's approval.

His idea, the principle of which is reported to be acceptable to most conferees, is to retain the exemptions in the bill but permit reinstatement of ceilings on the uncontrolled items if an independent three-man decontrol board should find that price levels warranted such action.

Under provisions of the Senate bill, a decontrol board would have authority to "recontrol" commodities freed under another clause requiring removal of ceilings when supply of an item equals demand for it. But the board would have no such authority over products exempted by legislative act unless the Radcliffe plan were written into the bill.

While there seemed to be agreement on the principle, there remained the question of what standards should be specified for recontrol. The subcommittee's task is to agree on the standards.

The subcommittee also faced a ticklish job in attempting to modify the clause giving the OPA discretion in applying a formula which would permit producers to realize the average 1940 price of every item plus the average increase in its production costs since that time.

Any tampering with that section of the bill, endorsed by Price Administrator Paul Porter only after insertion of the discretionary provision, might put the measure in jeopardy of a veto.

The disputed clause would give the OPA authority to ignore the formula in cases where a producer was making his costs if increased production of the commodity in question "would not be practicable or would be practicable only by reducing the production of at least equally needed products."

Meanwhile, as the conferees pondered the issues presented in the bill, record high prices for vital items, including meat and milk, provoked a buyers' boycott across the Nation. For the first time since OPA lost its controls, prices entered a decline and markets in many cities were being glutted by meats and other commodities which, a few weeks ago, were extremely scarce.

BRITISH FACTORY HELP INCREASES BY 277,000

London, England.—A Ministry of Labor report revealed that the number of persons employed in manufacture for Britain's home and export markets increased during May by 277,000.

There is still a grave deficiency in workers in textiles, clothing, wood, leather and other industries whose products have been long absent from the dealers' shelves. This labor shortage is attributed to wartime shifts in the distribution of labor carried over into the reconversion period.

AFL Shows Steady Progress In Drive to Organize South

Atlanta, Ga.—Steady progress in the drive of the AFL throughout the South to organize the unorganized is reflected in reports pouring in upon George L. Googe, director of the AFL southern campaign.

A majority of the 475 employes of the Gordon Clay Co. in Gordon, Ga., has been organized by the Local 233, United Cement, Lime and Gypsum Workers International (AFL), and an NLRB election will be held soon.

This is the plant where Willie Dudley, flogged by "hooded men" who represented themselves as Klansmen, because he refused to drop his union membership, is employed. The flogging precipitated a nation-wide protest against anti-union activities in the South.

The Georgia Kaolin Co., Dry Branch, Ga., was the scene of an election where the Cement, Lime and Gypsum Workers (AFL) won by a count of 320 to 21.

United Garment Workers (AFL) won an NLRB election at Fulton, Ky., among employes of the Henry I. Siegel Co.

Rome, Ga., policemen have applied for a charter from the State, County and Municipal Employes' Union (AFL). The full strength of the department is enrolled.

United Auto Workers (AFL) won an election at Devoe-Reynolds, Louisville, employing 500.

The Brotherhood of Carpenters (AFL) at King Specialty Manufacturing Co., Mayfield, Ky., petitioned for an election. One hundred taxi drivers in Lexington, Ky., have been organized and negotiations on the contract have been about concluded.

A Building Service Employes local was chartered in Louisville.

The Kentucky State Federation of Labor is planning a series of weekly broadcasts over Station WHAS in Louisville.

These are only a few of the highlights showing the progress of the AFL campaign to bring into the organized labor movement a million unorganized Southern workers who will benefit by the advantages accorded to members of AFL unions.

Move to Force Vote on Minimum Pay Takes On New Momentum In House

Washington, D. C.—The determined drive of pro-labor members of the House to pry from the Rules Committee the bill to increase minimum wages throughout the Nation from 40 to 65 cents an hour took a new spurt with announcement by Rep. Outland of California that the petition to force a showdown on the House floor has been signed by 107 members.

Following a conference with representatives of the AFL and other national organizations, Mr. Outland, chairman of an informal House committee to compel action on the wage issue, told newsmen:

"This petition to bring the minimum wage bill to the House floor for action was placed on the Speaker's desk only a week ago by Rep. Biemiller of Wisconsin, secretary of our committee. The response of members of both parties has been most gratifying.

"We took this action because we felt that the present legal minimum wage of 40 cents an hour, or $16.00 per week for full-time work, is not only obsolete, but an actual crime against millions of our citizens who certainly cannot eat properly, raise healthy children or contribute their full share to this country either as active citizens or as purchasers of the nation's output, on such substandard wages. This is even more tragically true now when we are faced with today's drastically rising prices.

"Therefore, we who are seeking passage of this bill felt that legislation designed to raise the minimum wage at least deserved a fair hearing in the House before the Congress adjourns, and we want to do everything we can to insure such action."

With a reelection-minded Congress rushing toward adjournment to campaign back home, it was problematical whether it would pause to consider the minimum wage issue. Though some members appeared anxious to get their names on the record as supporters of the bill, others seemed apathetic and inclined to postpone action at this time.

The increased wage matter has been urged consistently by President Truman, who has contended there is no more important issue before Congress.

YOUR TAXES AND MINE

This is the second of a series of 12 articles on tax problems affecting every person in the Nation, written for the AFL Weekly News Service by Arthur A. Elder, tax consultant of the AFL's Tax Committee and a vice president of the American Federation of Teachers.

Your Local Problem
By ARTHUR A. ELDER

Is your community stymied in its post-war plans because it hasn't enough income? Are municipal employes and teachers getting sub-standard wages because the taxes just can't be stretched far enough to cover the raises that are needed? Have material costs gone up so fast that the old income just doesn't do the job it used to do?

During the war, we got used to curtailed community services, but now we need them more than ever, and the returning servicemen need jobs and various kinds of community assistance. The cost of living has soared.

Almost all communities depend on the real estate tax to pay their bills. The sad fact is that the values of real estate have not risen appreciably during the war, and the income from real estate taxes can therefore probably not be raised very much.

However, there are some loop-holes that should be plugged, and it is possible that careful study will produce additional revenue.

Here are some of the items that should be looked into:

1. Do local assessments and tax rates approximate the average for cities of like size?
2. Are state grants-in-aid available to supplement the city's income?
3. If state funds are available for aid to certain services, are local funds diverted for other services?
4. Are cities which support services adequately discouraged through state aid provisions which enable other cities to secure state aid with minimum regard to local financial responsibility and the character of services?

Correction of faulty local tax situations and adoption of sound plans of state tax sharing will probably make it unnecessary to even consider the adoption of local nuisance taxes.

NON-RESIDENCE BUILDING CONTROLS WILL CONTINUE

Washington, D. C.—Government control over non-residential construction will continue until Autumn. Civilian Production Administrator John D. Small announced that critical building supplies "haven't caught up" enough to ease controls in the next 60 days.

CPA also said that in the three-and-a-half months, from March 26 through July 4, its district construction offices approved 36,228 applications for nonhousing construction, valued at more than $1,500,000,000 and denied 19,453 applications for construction and repairs estimated to cost $333,337,771.

Applications for more than $61,000,000 in industrial and commercial construction were denied in the week ending July 4, and 1,477, representing an outlay of $34,866,828, were approved.

MANUFACTURING WORKERS RECEIVE ALL-TIME HIGH

Washington, D. C.—Manufacturing workers in April received an all-time high in gross average hourly earnings. The Bureau of Labor Statistics, in announcing the record average of $1.06, saw a further rise of $1.07 in May.

In the non-durable goods industry gross hourly earnings have increased steadily due to wage rate hikes to the 98.8 cents level in April. The average earnings of $1.18 in the durable goods group were only one cent below the wartime peak.

U. S. BUYS MORE, SELLS LESS

Washington, D. C.—Imports in April totaled $406,000,000, up $22,000,000 over March, while exports declined from $815,000,000 in March to $758,000,000 in April, the Census Bureau reported.